

Clinton hopes to play strong role at G7 summit

WASHINGTON, June 27: President Clinton said Senate passage of his budget plan will allow him to go to the Group of Seven summit in Tokyo July 7-9 in a strong position to lead the world toward growth, reports Reuters.

"In a matter of days, I will be travelling to Japan to represent the interests of the United States in a summit with our economic competitors," Clinton said in a statement.

"Because we are acting to put our house in order, America will go to that meeting in a strong position to lead the world toward growth," he said.

Clinton hailed Senate passage of his budget plan as a "victory for the American people."

He said the Senate "voted for growth over gridlock" and that the vote met his challenges to cut the deficit, balance tax increase with spending cuts, raise taxes on the wealthy, and encourage the movement of people from welfare to work.

"That's why this vote is a victory for the American people," he said.

UNCTAD urges donor countries to honour commitments to Third World

Chakravarthi Raghavan writes from Geneva

The Trade and Development Board of the United Nations Conference on Trade and Development (UNCTAD), which ended a two-week second part of the 39th session recently, has urged the donor countries of the Organisation for Economic Cooperation and Development (OECD) to honour their commitments to the Least Developed Countries (LDCs) made at the 1991 second UN conference on LDCs and in the Programme of Action adopted there.

The Board said that there was room for improvement in efforts to implement the Plan of Action both by the LDCs and by the international community, especially in terms of market access and provision of financial resources.

In the debate on the issue, many delegations expressed concern about the further fall in per capita incomes of LDCs as a group. While the LDCs were primarily responsible for their own development, their efforts were not likely to be successful without adequate international support, the agreed conclusion reiterated.

The boards communique also called for a "strong and committed partnership between the LDCs and their development partners" and stressed "the need for formulation of medium- to long-term development strategies for socio-economic development, for which sustainable good governance was necessary."

On the UN New Agenda for Development of Africa in the 1990s, the Boards agreed conclusion called for an increase in external financial support for regional integration projects on

the continent and for technical cooperation activities. The areas of transport and communications, enterprise sector, reform programmes, diversification and human resource development were identified as the areas of most urgent need.

In other actions, the board decided that the question of providing an 'early warning perspective' on potential trade tensions, proposed by the UNCTAD Secretariat, would be examined at one of its executive sessions. In the meantime, the secretariat was asked to prepare the necessary documentation on the issue.

The secretariat was also asked to further refine its proposals on 'market-based price mechanisms' for assisting technology transfer to developing countries. This subject is to be taken up at the next session of the Board to be held from September 20 to October 1.

The board decided to hold the UN symposium on trade efficiency at Columbus, Ohio in the United States from October 17 to 21. Canada and the United States had both offered to host the meeting, and the US offer was accepted after consultations held by the board President Gunduz Aktan.

Trade reforms need international support

On the issue of trade policy reforms in developing countries, which was discussed in the

sessional committee, in agreed conclusions the board welcomed the continuation of the reforms but thought they should be implemented within the framework of broader economic reform efforts and provide for appropriate social safety net.

There was consensus that trade reforms in developing countries needed international support, especially improved market access, increased flows of financial resources and debt relief for indebted countries. The agreed conclusions also said that such support should allow for 'pluralism of approaches' towards trade policy reforms, taking fully into account specific country situations and economic, social and cultural characteristics.

On the question of human resources development for trade, the boards communique called for enhanced international cooperation and said that 'more assertive action' in this area "through combined efforts by governments, the business community and training institutions, would pay dividends in terms of technological development, international competitiveness and other determinants of trade performance."

On UNCTAD's contribution to Agenda 21 (action programme adopted at Earth Summit in Rio de Janeiro last year), the board agreed to transmit to the UN General Assembly UNCTAD's specific plans for implementation of

the programme within its mandate and competence.

Environmental component to be analysed

The Board is to discuss at all its future sessions, trade-related aspects of the environment. It would address particularly: the question of ensuring that environmental measures do not become an instrument of protection; the impact of environment-related regulations on export competitiveness of developing countries; and a comparative analysis of country experiences with ways and means of promoting trade expansion and diversification without depleting the natural resource base.

The subsidiary bodies of the board will analyse the environmental linkages of commodities (such as use and management of natural resources and reflecting environmental costs in prices of synthetic competitors), technology (promotion of environmentally sound technologies), services (alternative mechanisms to meet insurance and reinsurance needs in regard to environmental impairments), poverty and the implications for the poor of policies relating to environment, such as the polluter-pays principle, and privatisation.

Third World Network Features

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Labour disputes

cost Seoul \$ 228.79m in exports

SEOUL, June 27: South Korea has lost hundreds of millions of dollars in exports so far this year owing to labour disputes, trade ministry officials said Saturday, reports AFP.

The officials said the sum of export sales foregone from January 1 to June 22 because of labour problems was 228.79 million US dollar.

They said the figure was 38.6 per cent higher than the 165.12 million dollar lost in the same period in 1992.

The sum lost by South Korea's steel-iron industry soared a disturbing 432 per cent to 20.79 million dollar, and that lost by the automobile industry climbed 43.1 per cent to 200.64 million.

Labour disputes forced shipbuilding companies to forego some 2.24 million dollar, the officials said.

Meanwhile, a total of 237 labour disputes was reported to the Labour Ministry so far this year to June 24, outstripping 209 cases reported in the same period a year earlier.

Press reports existence of secret Tory accounts, party donors

LONDON, June 27: Hidden Conservative offshore bank accounts and new secret party donors were reported Saturday by British newspaper, fuelling suspicion of impropriety in a burgeoning row over secret party funding, reports AFP.

The independent newspaper reported that Tory officials has asked the former head of car dealer Nissan UK, Octa Botnar, to channel substantial donations to the party through secret offshore bank accounts so they could not be identified.

Suggestion of illegality or corruption within the Conservative Party funding system have been rife since it was discovered that Tycoon Asil Nadir, who jumped bail and fled to northern Cyprus to escape fraud charges, had made undeclared donations to the party.

The Labour opposition claims the money 440,000

pound (660,000 dollar), helped secure a valuable offshore tax status for Nadir, and it was alleged that he had tried to buy a knighthood.

Labour has pressed the government to return the money, claiming it was tainted because it came from some 30 million pound (45 million dollar) allegedly embezzled from Nadir's failed conglomerate Poly Peck International.

Nadir, 52, fled Britain May 4 to his native northern Cyprus, jumping 3.5 million pound (5.25 million dollar) bail to escape 20 charges of fraud involving the failed multinational.

As the Tory party refuses to publish its accounts in full, Labour maintains it is impossible to declare definitively that nothing improper has taken place.

In what is becoming a hunt for secret party donors, the Guardian said Saturday that

Hong Kong millionaire businessman Tsui Tsin-Tong, who it said has close connections to China's biggest arms company, had donated over 100,000 pound (150,000 dollar) to the Conservatives.

The independent detailed, in a case similar to Nadir's that two former Tory cabinet ministers - Lord Tebbit and Lord Parkinson - had interceded on car dealer Botnar's behalf in 1991 when his business was on the verge of collapse.

An arrest warrant has been issued for the 79-year old tycoon for alleged tax fraud involving more than 97 million pound (146 million dollar).

Like Nadir, who claims to have given 1.5 million pound (2.25 million dollar) to Tory funds, Botnar has fled British courts and is now in Switzerland.

Botnar, again like Nadir, had close ties to the party hi-

erarchy, sponsoring annual lunches for the cities of London and Westminster Conservative associations.

The total worth of his sponsorship to the Tories was more than 90,000 pound (135,000 dollar). The Independent said.

In addition to this sponsorship, Botnar donated 50,000 pound (75,000 dollar) in the financial year 1981-1982 and a further 100,000 pound (150,000 dollar) the following year.

The money was donated into a secret offshore account held by the Tory Party in Jersey at the suggestion of senior Tory Party officials, the paper said.

The paper's sources said this was preferred to a less confidential donation made to one of the party's mainland funds, such as the industrial fund, because of rumours of alleged unethical business practices in Nissan UK.

ANZ Grindlays introduces new Retail Banking products

Following the recent re-organisation into business units within their 13 points of representation in Bangladesh, ANZ Grindlays Bank yesterday announced the availability of new products through their Retail Banking operation.

Planz is a consumer finance facility to assist in purchase of locally manufactured goods which will assist the customers as well as encourage local industry and manufacturers.

Sylanz is an investment vehicle which will provide additional security for the customers.

Chinese minister visits Riyadh to boost trade ties

DUBAI, June 27: China's Vice-Premier Li Langqing, touring Gulf states to boost the already booming trade his country enjoys in the region, arrived in Saudi Arabia on Saturday, Chinese officials said, reports Reuters.

They said Li, accompanied by high-ranking businessmen and officials, arrived in Jeddah from Kuwait, where he met the Emir, Sheikh Jaber al-Ahmed al-Sabah.

A spokesman at the Chinese Embassy in Riyadh said Li would also visit Iran, Bahrain, Qatar, Oman and the United Arab Emirates.

He said the visit, Li's first overseas trip since being appointed Vice-Premier in March, aimed "to promote relationships between China and these countries in trade affairs."

Trade with Saudi Arabia, China's biggest trade partner in the region, tripled to 600 million dollar from 200 million dollar in the three years to 1992, he said.

Chinese exports to Saudi Arabia amounted to 450 million dollar in 1992.

Saudi exports to China stood at just under 150 million dollar consisting mainly of petroleum products and fertilizers.



D F Robinson, General Manager ANZ Grindlays Bank Bangladesh handing over the first product brochure to Mujibul Haq, Chairman of the bank's Advisory Board. Also seen is Imran Ahmed, Chief Manager, Retail Banking.

Japan's traders, experts seek tax breaks, liberal market

TOKYO, June 27: Japanese businessmen and economists fear that political turmoil will delay economic recovery and called for tax breaks and market liberalisation to counter its effects, a survey found here, reports AFP.

Many of the 52 business leaders and economists polled by the Nihon Keizai Shimbun said that the prevailing political disorder, stemming from Prime Minister Kiichi Miyazawa's decision last Friday to dissolve the lower house of the Japanese Diet, would impede the government from making appropriate economic decisions, undermine the stock market and hinder international negotiations.

Some 53 per cent of respondents said the economy would recover by the end of the calendar year, while 40 per cent anticipated the recovery to come later.

At the top of the list of needed economic measures were income tax cuts, promoting deregulation, lowering

prices to reflect the stronger yen and a reduction in the official discount rate.

The poll found that 44 per cent of the businessmen had predicted the Nikkei stock average would stay below the psychologically-important 20,000-yen level at the end of September, compared to 33

Banana workers agree to end strike in Panama

PANAMA CITY, June 27: Some 6,000 banana workers have agreed to end a 17-day strike over government plans to sell the land where they work to a US-based multinational, a workers' representative said Saturday, reports AFP.

Workers at Chiriqui Land Company went on strike on June 9 to protest government plans to sell more than 5,600 hectares (13,800 acres) of banana land to the subsidiary of US company Chiquita Banana for 14 million dollar.

per cent who projected prices to rise above the line.

However, views were mixed outlook for the yens performance in the coming months with 23 per cent forecasting that the US dollar would trade at 105 yen or lower at the end of September. Thirty-seven per cent said the yen would trade between 106 and 110, while 33 per cent said it would range from 111 to 115.

Economic growth forecast for the year to next March averaged 1.9 per cent, sharply below the government target of 3.3 per cent. A series of scandals and the persistent economic slowdown have prompted a momentum of political realignment in Japan, threatening to end almost four decades of domination by the ruling Liberal Democratic Party.

Fifty-five lawmakers have bolted from the conservative party in the past few days and are seeking cooperation with opposition parties in election next announced for July 18.



The world's biggest twin-jet aircraft, Airbus A-330, can carry 440 passengers over a distance of 6,100 kilometres. The recently launched A-330 has got off to a good start with 14 airlines using it and having reserved 143 aircraft. The Airbus Industrie consortium, the maker of A-300 is also considering the possibility of producing a further version of the plane, the A-300-300X which could travel more than 10,000 kilometres, which would make it the most fuel-efficient plane in its category.

Commodity market: Tin falls to 20-yr low, cocoa registers sharp rise

LONDON, June 27: The crisis in the tin market continued this week with the metal's price falling to fresh 20-year low as fears continued of a sell-off of stocks, met by poor demand for the metal, reports AFP.

An article in the British business daily the Financial Times suggested that the Russian government is trying to raise cash by pledging as collateral the metals in its strategic stockpiles.

The news threw a shadow over the entire metals markets, though copper managed to rise on technical factors and short-covering.

Aluminium also rose, supported, specialist review, Metal Bulletin said, by rumours that a producer, possibly Alcoa, was preparing to announce a cut in production.

Cocoa prices rose to their highest level for four months as a technical squeeze appeared to be developing on the near contracts. The gains were reduced by a slight correction.

Coffee rose slightly on hops for an agreement among Central and South American coffee producers to hold onto 15 per cent of their exportable production, but showed no further reaction when the agreement was finally signed on Thursday.

After a steady start, precious metals prices rose later when the dollar's rally on the international money markets looked like crumbling.

Gold: Higher after steady start. The price of gold slipped slightly at the start of the week, affected by the strength of the dollar, which reached its highest position against the German mark since October 1991.

Signs of tamed inflation in the world's major industrialised economies also pressured prices, but the political crisis in Japan put a brake on the losses.

Platinum: Higher after weak start. The price of platinum fell at the start in line with the other precious metals before following them higher as the week went on.

The Japanese Car Maker Association's announcement that Japanese car production in May was down 7.7 per cent on a year earlier contributed to the early fall in prices.

Silver: Higher after weak start. Silver initially suffered from the hike in the value of the dollar before climbing bank after the dollar fell.

Copper: Higher, the price of copper rose to a two-month high on the London Metal Exchange (LME), supported by a technical correction, short-covering and a slight fall in stocks, dealers said.

Copper price fell in May and early June and was now undergoing "the normal correction," a trader said.

Lead: Unchanged. Lead price was unchanged over the week, rising slightly mid-week before falling back as little news emerged to shift the moribund market.

Some support appeared toward the end of the week after LME lead stocks fell 250 tonnes to 258,725 tonnes.

Zinc: Almost unchanged. Zinc price ended the week almost unchanged, with dealers waiting to see the outcome of a meeting of European zinc producers in Brussels next week for talks over a shutdown programme in the industry.

Analysts have been suggesting for months that the long-term outlook for them is grim and some will have to close.

On the LME, Zinc stocks jumped 10,350 tonnes to a new record at 688,025 tonnes.

Aluminium: Higher. Aluminium closed slightly higher, reaching a new four-month high despite a fresh rise in stocks and poor demand.

According to the specialist review, Metal Bulletin, the recent strength of aluminium has been caused by rumours that a major producer, possibly Alcoa, is planning to cut production.

Nickel: Lower. Nickel price fell sharply at the end of the week on fears of an increase in Russian nickel sales.

Analysis estimate that Russia exported 80,000 to 100,000 tonnes of nickel to the West in 1992. Over the week, however, LME nickel stocks fell 3,972 tonnes to 86,520 tonnes.

Tin: Sharply lower. Tin price fell to a new contract low, down at its lowest market level for 20 years, with speculative selling and fears over sell-off of Malaysian tin stocks contributing to the pressure, dealers said.

Consumers are waiting to see how low tin will go before buying anything more than the minimum at present, one dealer said. "They are buying on a hand-to-moth basis," he said.

Coffee: Recovery after fall. The price of coffee fell at the start of the week when a cold-spell failed to materialise in Brazil as predicted, but then recovered on hopes of progress at a meeting of South and Central American coffee producing countries in Managua, Nicaragua.

The central American countries, Brazil and Colombia on Thursday signed a pact agreeing to keep back 15 per cent of their exportable production from a October onwards.

Cocoa: Higher. The cocoa price reached its highest level for four months, mainly on technical factors, but lost some of its gains after profit-taking.

A technical squeeze appeared to be developing on the first two contracts (July and September), which rose sharply at the start of the week after heavy buying by one main buyer. The fall of the pound against the dollar contributed to the gains.

Sugar: Recovery after weak start. The price of sugar fell at the start of the week to its lowest level for three and half months after reports that the Indian government was to release 630,000 tonnes of white sugar for domestic consumption in July.

In June, the government put 675,000 tonnes on sale, on top of 350,000 tonnes sold through state-run shops.

Vegetable oils: Uneven. The price of palm oil fell slightly on the Rotterdam market as supplies grew, but soya oil rose in the wake of Chicago, where prices reached their highest level for more than a year.

The Specialist Review Oil World, based in Hamburg, predicted that world soya oil production in 1992/93 would

rise to 17.16 million tonnes from 16.78 million the year before.

Oil: Slightly lower. The price of Brent North Sea crude oil fell slightly at the start of the week following an announcement from Kuwait that it was going to progressively increase production.

Kuwait, which refused a 10 per cent increase in its quota to 1.76 million barrels per day at the last OPEC meeting, said it would increase output to 2.16 million barrels a day during the third quarter.

Rubber: Firm. The price of rubber rose slightly on the London market because of the weakness of the pound against the dollar. Fundamentals remain bearish, dealers said.

Grains: Higher. The price of wheat and barley rose sharply in London, boosted by the fall of the pound against the dollar. Contradictory information circulated on the Russian harvest. The Russian authorities said the grain harvest could fall slightly this year from last, as bad weather had upset the sowing period in several regions.

Tea: Weak. The average tea price fell at the weekly London tea auctions, to 150 from 155 pence per kilo for higher grade tea, to 100 from 105 pence per kilo for middle grade tea, and to 82 pence per kilo for lower grade tea.

The International Tea Committee said the world harvest fell eight per cent in 1992 to 2.34 million tonnes, its lowest level for six years, because of a severe drought in several producer countries.

Cotton: Lower. The indicator price fell in Liverpool, affected by the strength of the dollar.

US trading firm Dunavant Enterprises predicted that the US cotton harvest would rise to between 17.5 and 18 million bales in 1993/94, which would depress prices to around 54/55 cents per pound from 57 cents at present.

Wool: Uneven. The price of wool rose slightly at Bradford following the fall of the pound against the dollar, but the approach of summer slowed trading activity. In Australia, prices were firmer than predicted during the last week of sales of the season.